

APR 21 1984 02:23PM BROWNING LAW FIRM

ARCO  
Liabilities

**COLUMBIA FALLS ALUMINUM COMPANY**

P.O. Box 10  
Columbia Falls, Montana 59912  
Telephone 406 892-3261

November 29, 1988

**CERTIFIED MAIL--RETURN RECEIPT REQUESTED**

Atlantic Richfield Company  
515 South Flower Street  
Los Angeles, CA 90071

Attention: Corporate Secretary

Gentlemen:

- Ref: (1) Acquisition Agreement dated September 10, 1985  
between Montana Aluminum Investors Corp. (MAIC)  
and Atlantic Richfield Company (ARCO)
- (2) Environmental Protection Agency (EPA) Final Rule  
dated September 13, 1988, regarding Listing of  
Hazardous Waste, 40 CFR, Parts 261 and 302, as  
published in Federal Register, Vol. 53, No. 177,  
September 12, 1988, pp 35,412 - 35,421

In accordance with the referenced Acquisition Agreement, section 10(c), MAIC is providing ARCO with notice of EPA activities regarding spent potliner wastes which ARCO landfilled at the former ARCO Metals facility at Columbia Falls, Montana prior to September 10, 1985.

In the above-referenced EPA Ruling (2), EPA has listed spent potliners from primary aluminum reduction as Hazardous Waste No. K088. The final rule becomes effective March 23, 1989.

When ARCO transferred ownership of Columbia Falls to MAIC in 1985, there were 125,000 to 150,000 tons of spent potliner wastes in various landfills around the Columbia Falls plant.

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MAIC is notifying ARCO that a potential liability may exist as per the Acquisition Agreement, section 10(c):

"Similar notice will be given the indemnifying party in the case of receipt by the other of any claim that might reasonably be thought to result in a request for indemnification."

Sincerely,

*T. F. Payne*

T. F. Payne  
Technical Manager *sh*

TFP/rb

mea: J. T. Broussard  
L. W. Smith  
D. P. Ryan  
J. R. Lucas, ARCO Legal/L.A.

bce: S. Kalaczyc  
B. Duker